RV BUSINESS

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FOLDING TRAILERS SPRING BACK TO LIFE

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CHRIS HENLEY 051183
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Marketing and Promotion Pointers

Film Graphics: The Selling Of A Brand

Put Recalls To Work For You

RV BUSINESS

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by Don Wright

Enjoying a steady increase in shipments since last year, folding camping trailers have gained new respect with impressive sales figures.

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by Colleen Fenrich

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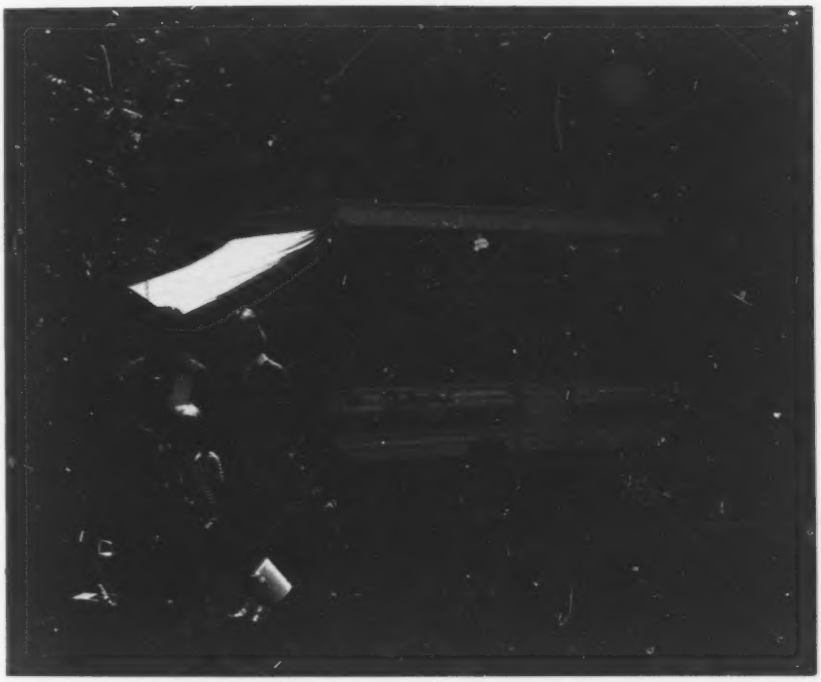

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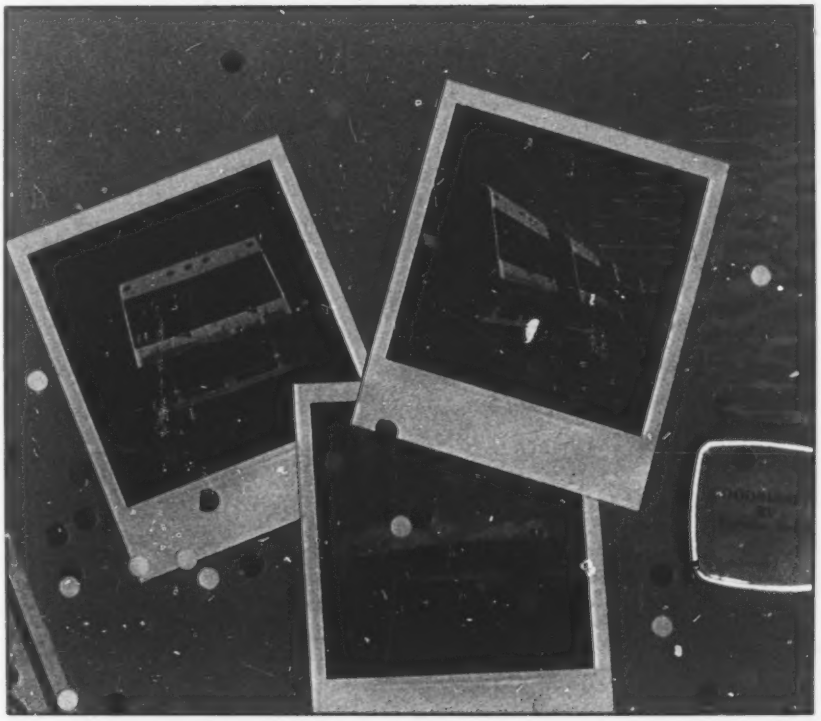

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On The Cover: They've been called "those magnificent folding machines." Beginning on page 58, read about how they're "unfolding" in the marketplace. Photo by Hal Hunt.

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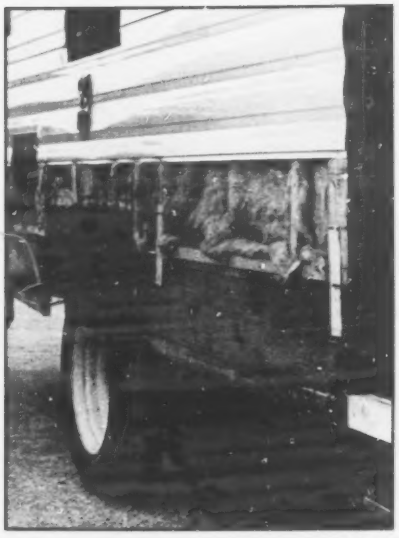

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Perspective

An analysis of RVB's monthly survey
of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR TO DATE			FOR MONTH			YEAR TO DATE		
	MARCH '84	MARCH '83	% CHANGE	1984	1983	% CHANGE	MARCH '84	MARCH '83	% CHANGE	1984	1983	% CHANGE
MOTORHOMES	127	123	+23%	290	237	+22%	94	81	+16%	228	177	+29%
TRAVEL TRAILERS	106	100	+ 6%	240	216	+11%	109	85	+28%	219	192	+14%
TRUCK CAMPERS	24	15	+60%	43	30	+43%	17	21	−19%	66	42	+57%
CAMPING TRAILERS	164	173	− 5%	384	304	+21%	39	38	+ 3%	69	64	+ 8%
FIFTH-WHEELS	47	32	+47%	105	69	+65%	14	8	+75%	26	29	−10%

	FOR MONTH			YEAR TO DATE		
	MARCH '84	MARCH '83	% CHANGE	1984	1983	% CHANGE
SALES VOLUME	$9,315,610	$7,631,850	+22%	$21,680,794	$16,015,621	+35%
TOTAL UNIT SALES	741	656	+13%	1,742	1,360	+28%
NEW UNIT SALES	468	423	+11%	1,134	856	+32%
USED UNIT SALES	273	233	+17%	608	504	+21%

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 22 dealers representing a cross section of the U.S. dealer body. DAB dealerships range in size from very small (less than a million dollars in annual sales) to very large (more than $15 million in sales). Some specialize in one RV type; others offer two or more types. This report is an attempt to reflect the current retail sales picture—to show how dealers are doing. It does not purport to indicate RV production or factory sales to dealers.

March retail sales figures for RVB's Dealer Advisory Board show that the good start dealers made in January and February continues; they suggest that it will continue unabated through the first half of the year.

Profits aren't bad, but they are down a bit. Competition is getting stiffer, and dealers are reporting they're taking skinny deals just to keep customers from taking their competitors' skinny deals. It was predicted in this column last month that the playing field will get a bit bloody before this year is over. Reports for March give no indication that that prediction should be altered.

MOTORHOMES

America's love affair with motorized homes is becoming more torrid. Only the fact that high prices rule out about 85% of the population from any possibility of ownership keeps the scene from getting really wild. Most motorhome dealers on the DAB are running ahead of last year. Class A's are still the big draw, but C's are gaining. There aren't enough used units to satisfy demand, and likely won't be this year.

Competition is getting stiffer for the motorhome dealer. The car people are coming back in droves. The pinch is being felt in some areas already; that pinch may become a bite before the summer is over. Some former motorhome dealers who dropped out during the last crunch in favor of trailers are back in the game. Those DABers who have done so are experiencing success.

TRAVEL TRAILERS

The sales increase over last March isn't great, but this type is better than holding its own. The year-to-date increase is the smallest of any of the new unit categories. There's much speculation about why trailers aren't picking up as fast as other RV types, but no answers.

Dealers say all sizes and prices are selling. Smaller units have been moving better than they have for some time—an indication that the working man is thinking vacation again. Assuming that the economy continues its upward swing, there's every reason to expect that trailer sales will improve. Used trailers are still moving well, but profits have weakened.

TRUCK CAMPERS

Although the unit numbers aren't large, the monthly percentage increase indicates that campers are enjoying a comeback. As with other RV types, the specialists are getting the bulk of the business. It's no easier now for the department store type of dealer to make sales from a couple of units than it was a decade ago. You have to be serious about what you are doing if you expect to do well with any RV type. That means good inventory, good display, knowledgeable salesmen and proper service.

CAMPING TRAILERS

After an exceptionally good start this year, the folding trailers took it on the chin a bit in March. Down 5% isn't much, but being down at all looks bad on the very positive reports we have been getting so far this year. For the year to date, however, the figure is still on the plus side. Perhaps whatever accounted for the drop in March will be compensated for in the following months. One member of the DAB who sells a lot of camping trailers regularly delivered 45 units in March. That's a lot of business in anyone's book—especially when profits are rated excellent.

FIFTH-WHEELS

For dealers who, more or less, specialize in this type, business has been super. Two members of the DAB enjoy that situation. Thirty-one of the 47 units reported for the month are due to their efforts. The 65% year-to-date increase in new units sold over last year's first quarter is very impressive. The 10% drop in used sales represents a drop of only three units—a figure than can change quite rapidly. Δ

RVIA, MARCH

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during March 1984 was 41,600 units, up 24.2% from March of 1983.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco, Incorporated, Middlebury, Indiana.

RV shipments were as follows in March 1984		March 1983	Percent Change	Cumulative 1984	Cumulative 1983	Percent Change
TRAVEL TRAILERS	8,400	6,900	+21.7%	21,600	16,600	+30.1%
FIFTH-WHEELS	2,000	1,500	+33.3%	5,000	3,500	+42.9%
TRUCK CAMPERS	1,100	800	+37.5%	2,100	1,500	+40.0%
MULTI-USE VEHICLES	17,000	14,000	+21.4%	40,400	36,500	+10.7%
TYPE A: MOTOR-HOMES	4,100	2,700	+51.9%	11,300	6,900	+63.8%
TYPE B: VAN CAMPERS	500	800	–37.5%	1,800	1,600	+12.5%
TYPE C: MINI MOTOR-HOMES	3,800	2,700	+40.7%	10,300	6,100	+68.9%
FOLDING CAMPING TRAILERS	4,700	4,100	+14.6%	10,600	9,600	+10.4%
TOTALS	41,600	33,500	+24.2%	103,100	82,300	+25.3%